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SUBJECT: EU COMMISSION STABILITY PROGRAM -- THIRD COUNTRY
ASSISTANCE -- NOVEMBER 18-19 COORDINATION MEETING IN
WASHINGTON

REF: STATE 33804

11. (SBU) Summary. Multiple ISN Bureau and interagency officers met with the European Commission (EC) on November 18-19 to discuss further nonproliferation programs and activities as originally envisioned in March (reftel) regarding the U.S.-EU Summit commitment to greater coordination through UNSCR 1540. The EC described its refinements in obligating funding through the Stability Instrument, which serves as a guidance tool for its activities and policies related to nonproliferation, with greatly expanded funding. Cooperative Threat Reduction and Chemical/Biological offices had extremely useful discussions concerning specific foreign assistance projects in the areas of biosecurity/biosafety, scientist engagement/redirection and possible training activities world-wide, and Washington agreed to send the EC an updated list of possible projects. The EC is especially interested in projects in the biological area and efforts to assist with Iraq and Libya scientist engagement/redirection activities. Additionally, officers discussed proliferation financing activities and the Nuclear Smuggling Outreach Initiative, and continued discussions on specific areas in which the EU can contribute resources to combat the illicit trafficking of nuclear materials. End Summary.

Background

12. (U) These meetings built on ongoing cooperative efforts that last took place in June, when U.S. non-proliferation officials participated in an EC-hosted workshop focused on determining the EC's priorities for programming EU Stability Instrument funding on non-proliferation and identifying opportunities for coordination and cooperation with other actors. At this time, U.S. officials provided a detailed overview of U.S. efforts and programs targeted at export control, nuclear smuggling/illicit trafficking, scientist engagement/redirection, and UNSCR 1540 outreach. EC officials committed to continue the EU-U.S. coordination with a follow-up meeting when Stability Instrument funding is closer to being allocated.

13. (U) Coordination is moving ahead based on the 2007 U.S.-EU summit declaration, which called for promoting greater coordination of nonproliferation efforts through UNSCR 1540; this call was reiterated in the 2008 U.S.-EU summit declaration. In 2006, the EU established an approximately 400 million-Euro &Stability Instrument8 to carry out its activities in this area, and it has expressed an interest in further coordinating policies with other

donors as a follow up to the June 2008 consultations and recent EXBS Conference in Croatia. To continue discussing how to aid third countries in nonproliferation capacity-building, EC and U.S. nonproliferation experts met November 18-19 in Washington at the expert level. Nonproliferation experts Bruno Dupre and Jean-Paul Joulia represented the EC for these discussions. End background.

Biological Threat Reduction, Scientist
Engagement/Redirection, and
Regional Centers of Excellence (RCEs)

¶4. (SBU) Representatives from ISN/CTR, ISN/CB, and the DOD Cooperative Threat Reduction program met with the EC delegation to discuss foreign assistance projects in the areas of biosecurity/biosafety, scientist engagement/redirection and possible training activities worldwide. The EC considers biological security important to EU security, and is keen to coordinate with the U.S. in order to avoid duplicative efforts and maximize effectiveness. Further, while the EC believes it is critical to continue to fund work in Russia and the former Soviet Union through the ISTC, it also recognizes the importance of expanding threat reduction efforts to the rest of the world to address new threats and

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¶5. (SBU) The EC described its refinements in obligating funding through the Stability Instrument, which serves as a guidance tool for its activities and policies related to nonproliferation, with greatly expanded funding. Under the auspices of the Stability Instrument, the EC would like to establish one to three Regional Centers of Excellence to support the expansion and management of its CBRN nonproliferation programs. In order to guide the thematic and geographic focus of the Stability Instrument and associated RCEs, the EC has established an advisory group called the Experts Support Facility (ESF). ESF technical experts evaluate CBRN risks worldwide, and then advise the EC on how best to apply its money to reduce WMD proliferation. ESF technical experts recently traveled to Central Asia, the Middle East, and Southeast Asia to visit bioscience laboratories and meet with ministry officials; they are also planning an initial assessment trip to Africa in the next few months.

¶6. (SBU) For scientist engagement/redirection activities, the EC is favorably considering one or more activities to engage and sustainably redirect former WMD experts in Iraq and Libya, in addition to ongoing efforts to redirect former Soviet WMD experts through the International Science and Technology Center (ISTC) and the Science and Technology Center in Ukraine (STCU). ISN also presented opportunities for EC collaboration with the U.S. on new activities that engage chemical and nuclear scientists with WMD applicable expertise to improve chemical and nuclear safety and security best practices. For these proposals, the EC made it clear that its redirection funding only applies to experts who worked on WMD programs (as opposed to experts with dual-use skills who did not work for such programs), but said that training in the chemical security area might be considered for funding under RCEs. However, the EC maintained that activities to engage nuclear scientists would be separately considered under a different budget altogether.

¶7. (SBU) The EC has allocated a significant amount of money toward biological threat reduction, scientist engagement/redirection and RCEs. A total of 6.8M Euros has already been allocated for biosafety and biosecurity activities in Russia and Central Asia through 2009. Additionally, an estimated 22-30M Euros will likely be allocated for global biological threat reduction and scientist engagement/redirection activities between 2009 and ¶2011. However, most programmatic implementation for

activities beyond Russia and the former Soviet Union will probably not begin until 2010 - about the same time the EC anticipates it will be able to initiate programs outside of Central Asia.

¶18. (U) ISN/CTR agreed to follow up with the EC by sending in early December an updated list of possible projects where the EC could quickly and effectively contribute to global biological threat reduction efforts, scientist engagement/redirection, and CBRN training. In addition, the U.S. and EC agreed to continue to share information on risk assessments and promising potential partners in regions of interest.

Maritime Vigilance

¶19. (U) The EC delegation outlined an initiative under the trans-regional security threats project area to improve security along critical maritime routes. Along with a focus on reducing piracy and countering all illicit trafficking, the initiative will include a component to combat trafficking of CBRN materials, as well as SA/LW, by sea. The EU will provide assistance to littoral states along the Malacca Strait and Gulf of Aden. Legislative assistance will include support for accession to the Convention for Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA) and its 2005 Protocol. Equipment will be provided to support establishment and maintenance of a Vessel Traffic Monitoring and Information Network. Other CBRN aspects of the program are yet to be determined.

Multilateral Nuclear Activities

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¶10. (SBU) Laura Holgate, from the NGO Nuclear Threat Initiative (NTI), updated the EC delegation on the NTI's challenge grant to establish a mechanism for reliable access to nuclear fuel in the International Atomic Energy Agency. NTI will give \$50 million for this project if \$100 million is raised from other sources by the end of September 2009. The United States, Norway and the United Arab Emirates have pledged \$65 million, leaving \$35 million still to be raised. The EC delegation noted that a contribution, funded through the EU Stability Instrument, is still under discussion within the EU. They expressed hope that the EU would be able to make a political commitment to a substantial contribution by mid-December. The EU contribution would probably not cover the full \$35 million still outstanding. (Note: on December 9, the EU announced that it would contribute 25 million Euros (approximately \$33 million) to the NTI initiative. End note.)

Proliferation Financing

¶11. (SBU) Anthony Ruggiero from ISN/CPI discussed the current state of our proliferation financing efforts in the Financial Action Task Force (FATF) with the EC delegation. Ruggiero noted that the FATF issued a typology report in June 2008, which describes proliferation financing with specific case studies. The FATF is moving forward with a new project to address the four issues for consideration raised in the typology paper and we expect this project will be completed June-October 2009.

EXBS

¶12. (SBU) The Commission officials also solicited ideas for potential Stability Instrument assistance in the area of export controls and border security in meetings with ISN/ECC

(Export Control Cooperation) Director Wong, Deputy Director Church, and ISN/ECC country officers for the Export Control and Related Border Security (EXBS) program. Dupre and Joulia indicated a relatively near-term Commission interest in expanding activities to Southeast Asia and the Middle East/North Africa. They underlined, however, that Africa also was an area of interest.

¶13. (SBU) ISN/ECC staff cautioned that EXBS and other USG programs -- as well as donors such as Japan, Australia, and individual EU member states -- had long-standing assistance efforts already in place in Southeast Asia and the Middle East. Limited absorptive capacities and political sensitivities also needed to be considered before deploying further resources in any region. While ISN/ECC staff emphasized that additional Commission efforts were welcome, they highlighted the importance of prior coordination of plans and activities, particularly in UAE, Indonesia, and Malaysia. ISN/ECC noted the lack of transparency among some assistance providers/NGOs in Malaysia in particular.

¶14. (SBU) ISN/ECC provided Commission officials with notional ideas for near and medium-term future activities, based on stated Commission/EU interests as well as U.S. perceptions of current assistance gaps. This included recommendations as follows for regions of stated Commission interest:

Algeria and Tunisia -- legal/regulatory training, assistance with implementing the EU control list, and government-industry outreach training.

Philippines, Thailand, Cambodia, and Vietnam)
legal/regulatory training, also UNSCR 1540 workshops for the Philippines and Thailand.

Africa) Any kind of border monitoring equipment/training, particularly in the Horn of Africa, Kenya, Congo, and South Africa.

¶15. (SBU) For other regions, ISN/ECC recommended in-country assistance and training for Afghanistan; licensing, border and government-industry outreach training for Pakistan; and general assistance (enforcement training, establishment/upgrade of Customs academies, etc.).

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Nuclear Smuggling Outreach Initiative (NSOI)

¶16. (U) The U.S. continued its discussions with the EC on specific suggestions that it has for EU expenditures on projects to combat illicit trafficking. Michael Stafford, the NSOI Coordinator, provided an update on NSOI's country engagements and its assistance projects in Afghanistan, Georgia, the Kyrgyz Republic, Kazakhstan, and Ukraine. Mr. Joulia and Mr. Dupre were most interested in border security projects, both at POEs and along the green borders, and anti-corruption training projects. In particular, the EC representatives were interested in funding an anti-corruption pilot project in Ukraine. NSOI plans to continue its discussions with the EC on several of the proposed projects.

Concluding Thoughts

¶17. (U) The EU's Stability Report is due to be considered after December and its recommendations will be discussed in the winter. Projects that the EU is likely to sponsor include the aforementioned regional CBRN training centers, possibly located in the Middle East/North Africa or Southeast Asia. Very few new details were provided on the centers

except that they would be training institutions that could be utilized by non-member countries. Overall, the increased coordination through UNSCR 1540 and the desire to facilitate better deconfliction of third country assistance continues to set a positive way forward. Washington welcomes this effort and will work closely with key EC offices to continue the efforts and prepare for the expected next step in early 2009.

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